

Cash Handling Procedure FY13

1. Scope

The state of Texas and the University of Houston require all employees who handle cash on behalf of the University to complete a cash handling course each fiscal year. All guidelines and MAPP policies must be followed to ensure accountability for money received.

In accordance with MAPP 05.01.01, Cash Handling, all cash transactions involving the University, its colleges, or any departments are subject to all applicable state laws and regulations and University policies and procedures, including University of Houston System Administrative Memoranda 03.A.07, – Petty Cash Procedures, 03.F.01 – Gift Acceptance, and 03.F.04 – Cash Handling. All University employees have a fiduciary responsibility to the University to handle cash properly, and in accordance with the procedure outlined below.

2. Purpose

This document establishes policies and procedures for handling all cash activities at the University of Houston, including cash acceptance, the deposit of cash, and cash fund maintenance.

3. Definitions

Cash is U. S. currency (dollars and coins); personal, business, bank, and cashier's checks; money orders; travelers' checks; or foreign drafts (but not foreign currency.)

Cash handler is the person who handles incoming cash within the department. This person will have sole access to the logs & cash/check receipt books. At the end of the month the *Cash handler* will give their logs for the month to the *Reconciler* to complete the Monthly Reconciliation.

Cash receiver will create the deposit of the cash. This person must ensure the timeliness of the deposit and is responsible for checking the status daily until it's posted by A/P.

Reconciler is responsible for the reconciliation of the deposits vs. logs for the month. They will verify all deposits have posted and will notify the *Cash receiver* if there are discrepancies, and ensure the *cash receiver* corrects them.

Cost Center Manager verifies that the monthly reconciliation is done accurately, and in a timely manner. They will complete the monthly verification form for their cost centers.

4. Procedures

When a University employee receives cash, it is to be deposited promptly into the appropriate authorized University cost center. Cash receipts totaling \$100.00 or more must be forwarded to Student Financial Services (SFS) within one working day of receipt, cash less than \$100.00 must be forwarded to SFS within five working days of receipt. Please time/date stamp the check envelope upon receipt and upload as supporting documentation for compliance purposes. Credit card transactions must be settled daily and recorded daily via journal entry.

Cash Handling Procedure FY13**A. Receiving Cash**

When a check is received the following steps are to occur:

- 1) **The cash handler is to log the check number, amount, and vendor in a log they solely have access to.**
- 2) **The cash handler will write a receipt for the check and notify the cash receiver there is a check for deposit.**
- 3) **When the cash receiver receives the check, the cash handler will give the cash handler a receipt of the check to attach to the journal documentation.**

B. Acceptable forms of Payment are:

- 1) Currency – Departments are encouraged to accept payments only in US funds
- 2) Checks and Money Orders
- 3) Debit/Credit Cards
 - a. Debit/Credit card transactions should be handled in the same manner as cash transactions. Employees responsible for the processing of debit/credit card transactions must complete annual online training for Credit Card Accounting. Employees can register for this course at the following website:
<http://www.uh.edu/adminservices/training/financeonline.htm>.

C. Create the journal entry for the cash deposit as follows:

- 1) Complete the Cash Deposit Summary Form with 2 signatures, the person who prepared the deposit, and the person who verified the deposit.
- 2) Prepare the deposit slip.
 - a. Make a copy of the slip
 - b. Original is to be placed in the deposit bag.
- 3) Departments will complete and submit a journal entry through workflow via path 2, Department ->SFS->General Accounting. A copy of the journal coversheet is attached to the deposit bag which is transported to SFS by UH DPS.
- 4) Deposits are transported from the Department by UH Dept. of Public Safety (DPS). Departments should contact UH DPS to make arrangements to transfer the Deposit only after completing and submitting the journal entry. The extension number for DPS Check pick up is 3-0600.
- 5) The money transmittal form is to be outside the bag, so when DPS picks up the deposit, you keep the white, original copy and file.

* Inside the bag: Cash/checks and original deposit slip. Outside bag – journal coversheet, copy of deposit slip, money transmittal form.

In order to ensure that your deposit goes to the bank on the day you send it over, your deposit **MUST** be in Student Financial Services (SFS) office by 1:30. The deposit will go to the bank that day **IF** your journal is in work flow. The deposit **CANNOT** be sent to the bank unless the journal has been approved by your DBA/CBA. Any deposits received after 1:30 could possibly not be sent to the bank until the next business day.

Please note: It is the responsibility of the *cash receiver* that the journal entry is completed in PeopleSoft. Please check status of journal daily until it posts to ensure timeliness of deposit.

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PLEASE SEE: [UH DEPOSIT PROCEDURE EXAMPLE](#) AND THE [GL JOURNAL CHECKLIST](#) (scroll to GL Journal checklist) FOR MORE INFORMATION.

D. RETAINING DEPOSIT DOCUMENTS

- 1) Departments must retain copies of reconciled cash register activity logs, checks, credit card documentation, and individual invoices or receipts with departmental records for six months for audit purposes.
- 2) Departmental Cost Center transactions shall be verified monthly. All discrepancies must be cleared when identified and department financial records corrected in accordance with UH System Administrative Memorandum 03.F.04, Cash Handling.
 - a. **At the end of the month, the cash handler will give the log book to their areas' designated reconciler to verify check/cash deposits against the monthly verification spreadsheets to ensure all deposits have posted and cleared for the month. If any discrepancies are found, it is up to the cash receiver, (the person who created the journal) to correct.**
 - b. **This is part of our monthly reconciliation procedure, See monthly reconciliation process for more details.**

E. Overages and Shortages

Overages and Shortages of less than \$20 on cash receipts are recorded to the departmental cost center on the deposit journal using account 50015. Departments must maintain a log of all overages/shortages which is recorded on Addendum D, Overage/Shortage Report Form (<http://www.uh.edu/finance/pages/References.htm>) Individual overages/shortages of \$20 or more, or annual cumulative overages/shortages of \$40 or more, must be immediately reported to General Accounting and the Treasurer's Office.

Departments with large cash handling operations may be permitted larger overage/shortage allowances with permission from the Treasurer. The Treasurer will provide the names of these units/departments to Internal Auditing.

F. Endowed gifts

Endowed gifts (check, cash, negotiable stocks or bonds) received by a department should be forwarded to our development assistant who handles Gift Transmittals.

The development assistant will key in the following:

The donor ID number,

Verify the cost center

GTF information

Get appropriate signatures

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The log is done at the department level. The GTF must include a certifying signature which indicates the approval of the funds deposited into a cost center that has been established with any applicable funding source restrictions. The

Treasurer's Office will deposit the gift and forward the GTF and documentation to Donor and Alumni Records.

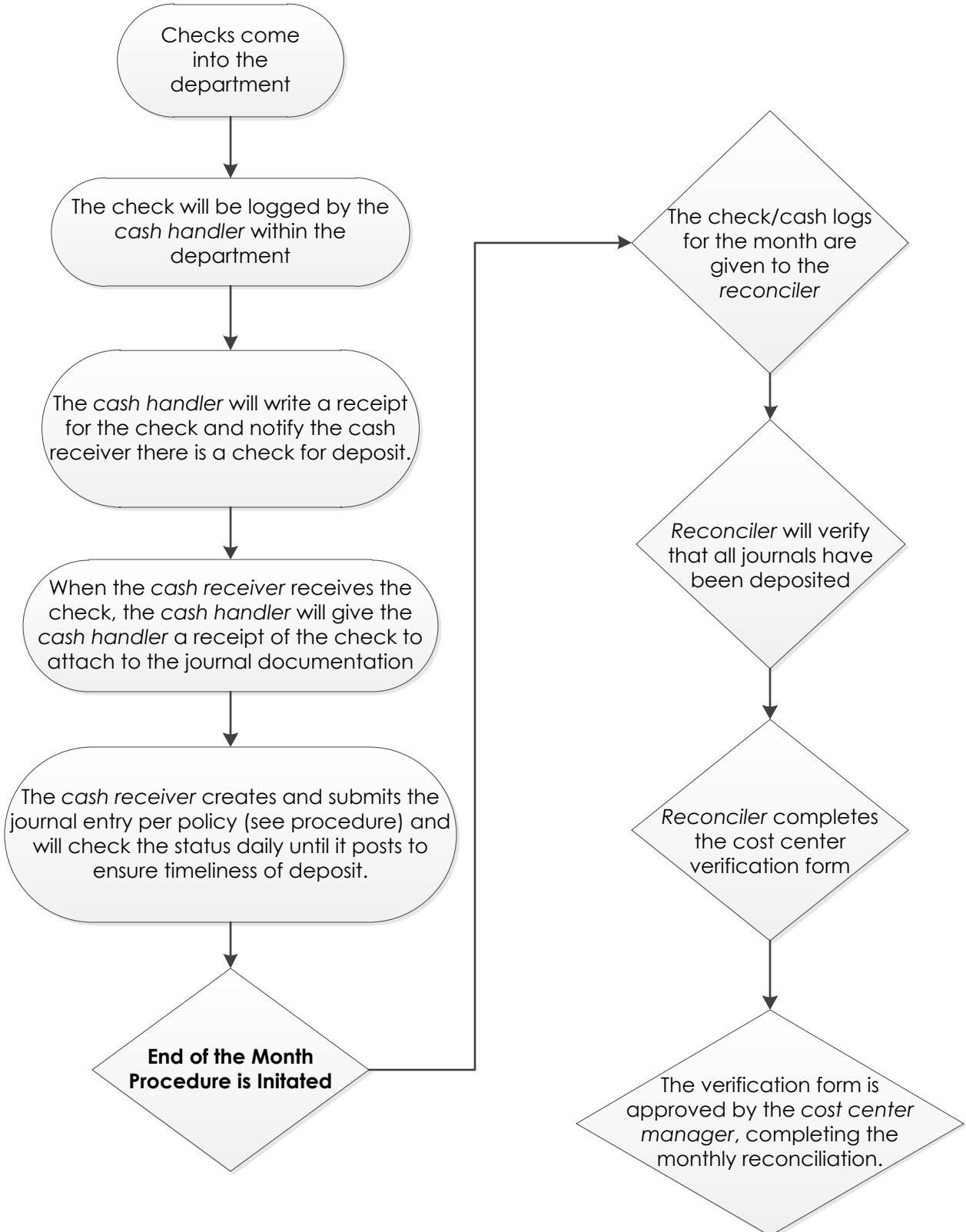
Non-Endowed gifts are sent to Donor & Alumni Records with a Gift Transmittal Form (GTF) and other documentation, including one check copy, within one working day of receipt. The GTF must include a certifying signature indicating that the funds are being deposited into a cost center in accordance with any applicable funding source restrictions.

Gift Transmittal Forms are found at <http://www.uh.edu/finance/pages/forms.htm>.

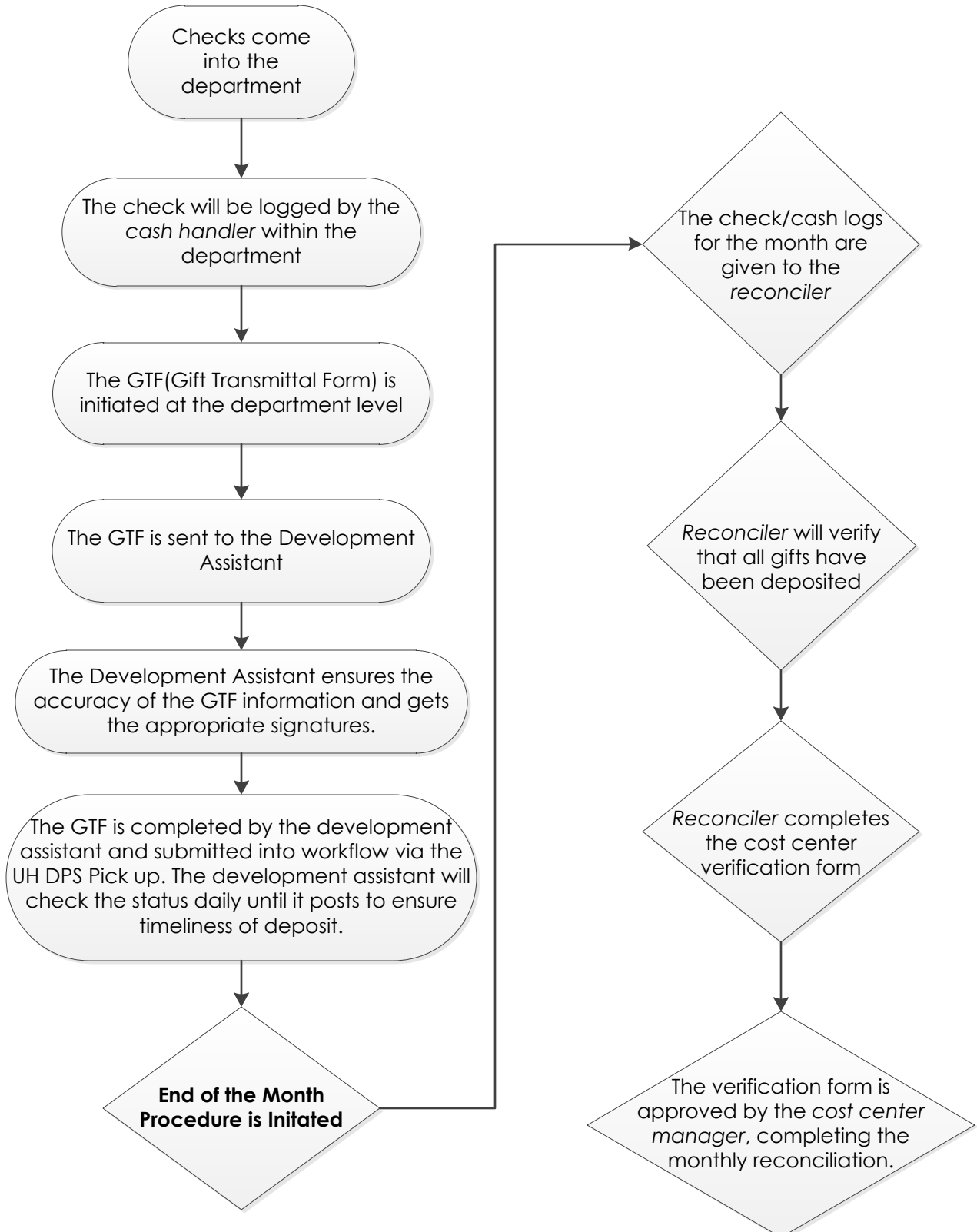
- a. **At the end of the month, the cash handler will give the log book to their areas' designated reconciler to verify check/cash deposits against the monthly verification spreadsheets to ensure all deposits have posted and cleared for the month. If any discrepancies are found, it is up to the cash receiver, (the person who created the journal) to correct.**

- b. **This is part of our monthly reconciliation procedure, See monthly reconciliation process for more details.**

Cash Handling/ Cash Journal Deposit Procedure



Endowed Gifts Deposit Procedure



Cash Handlers List by Department					
Department	Department Name	Cash Handler	Cash Receiver	Reconciler	Cost Center Manager
H0137	Info & Logistics Technology	Settles, Shantavia	Lew, May	Jones, Monique	Evans, Gerald
H0136	Dean, Technology - Dean's Office	Batres, Claudia	Mejia, Sandra	Mejia, Sandra	Paredes, Zagui
H0136	Dean, Technology - Dean's Office	Batres, Claudia	Wingfield, Elizabeth	Mejia, Sandra	Paredes, Zagui
H0136	Dean, Technology - ASC	Batres, Claudia	Thanudape, Maylin	Mejia, Sandra	Paredes, Zagui
H0136	Dean, Technology - Development	Batres, Claudia	Jordan, Kimberly	Mejia, Sandra	Paredes, Zagui
H0136	Dean, Technology - CTL	Batres, Claudia	Jones, Amy	Mejia, Sandra	Paredes, Zagui
H0139	Engineering Technology	Perdue, Jeanie	Cortes, Ed	Cortes, Ed	Malki, Heidar
H0140	Human Develop & Consumer Sci	Banda, Luz	Reilly, Elizabeth	Cortes, Ed	Goodson, Carole
H0281	Tx Manufacturing Asstance Ctr	Pham, Ann	Nguyen, Thuan	Cortes, Ed	Cline, Raymond
H0559	Construction Management	Green, Jennifer	Talia, Alaniz	Jones, Monique	Eldin, Neil